

STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IN RE:

OFFICE OF CONSUMER ADVOCATE,

Petitioner,

v.

INTERSTATE POWER AND LIGHT,

Respondent.

DOCKET NO. FCU-2016-0011

**REPLY TO INTERSTATE POWER AND LIGHT'S RESPONSE TO OFFICE OF
CONSUMER ADVOCATE'S REQUEST FOR FORMAL PROCEEDING**

COMES NOW the Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice, and for its Reply to Interstate Power and Light's (IPL) Response resisting OCA's Request for Formal Proceeding does hereby state:

1. On October 10, 2016, IPL filed a Response resisting OCA's request for the Iowa Utilities Board (Board) to initiate a formal proceeding and investigation into the excessive bills sent to IPL's customers. Instead, IPL requested a review through a workshop format to discuss broader issues.

2. As of October 11, 2016, the Board's Customer Service Section had received over two hundred and thirty calls or inquiries. It is anticipated the number of customers affected greatly exceeds this number, but IPL has been unable to estimate the number to date.

3. The impact on customers, as evidenced in their complaints, was significant. The issues are not in dispute. IPL's customers, in their complaints, have raised numerous concerns:

1. IPL's accountability for inaccurate billing.
2. The need for an unbiased investigation.
3. Customer service times exceeding one hour.
4. No notice and opportunity to conserve or reduce usage.
5. Concerns about the ability to pay the true-up bills.
6. Excessive or inaccurate bills based on past history.
7. Threats of disconnection/shut-off.
8. Termination of customer budget billing.
9. Autopay banking overdrafts.
10. Failure to clearly identify on the bill it was an estimated reading.

4. IPL has an obligation pursuant to Iowa Code Section 476.3(1) (2015) to furnish reasonably adequate service. Board rule 199 IAC 20.3(1) requires electricity to be sold on the basis of meter measurements. Board rule 199 IAC 20.3(6) requires actual meter readings and estimated readings only when an actual meter reading cannot be obtained. IPL is not complying with the Board's standards in rules 199 IAC 20.3(1) and 20.3(6) as indicated by the calls, inquiries, and information posted by Alliant Energy. The failed billings were the fault of IPL. IPL has apologized for improperly billing its customers, but that is not sufficient to address the complaints or the billing process as we move into the winter billing period.

5. OCA and the Board have an obligation to investigate the faulty process, determine the causes, and ensure remedial actions occur to prevent customers are not subjected to similar treatment in the future. Iowa Code Sections 475A.2 and 476.3 (2015). The Board is to promptly initiate a formal proceeding if there is any reasonable ground for an investigation. Iowa Code § 476.3 (2015).

6. An unbiased investigation requires a fair and impartial proceeding. The Board's formal complaint proceeding rules in ch. 7 provide for expedited proceedings, discovery, and pre-filed testimony under oath. An investigation through a formal proceeding will elicit the causes of the billing breakdown, the extent of the breakdown, any related issues affecting

customers, actions being taken to address the failures, and assurances that the issues have been resolved. An expedited formal proceeding will allow this billing breakdown to be addressed immediately to protect customers in the upcoming winter period.

7. A workshop format fails to timely address the concerns of customers, provide an evidentiary record, or an opportunity for OCA and the Board to fulfill its investigative duties.

8. OCA requests that the Board initiate formal proceedings on its own motion to investigate the cause of the failed billings and the actions to be taken to ensure the failed billings do not reoccur.

WHEREFORE, OCA respectfully requests that the Board initiate a formal proceeding to investigate and address the failure in IPL's billing system, to provide appropriate remedies pursuant to Iowa Code § 476.3 (2015), and for all other equitable relief appropriate under the circumstances.

Respectfully submitted,

/s/ Mark R. Schuling

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OFFICE OF CONSUMER ADVOCATE